



Muskegon Heights Public Schools

2603 Leahy Street • Muskegon Heights, MI 49444 • Phone 231-830-3221 Fax 231-830-3560

Date: May 9, 2019

To: Receivership Transition Advisory Board (RTAB)
Muskegon Heights Public Schools Board of Education

From: John Lewis, Assistant Superintendent

Re: Board Meeting Packet for May 15, 2019

Attached, please find the Muskegon Heights Public Schools 2018/19 Budget to Actual Revenue and Expenditure Report, Cash Flow Statement, and Liabilities Report for your review.

Budget to Actual Revenue and Expenditure Report

Attached you will find the budget to actual report for 2018/19 as of May 3, 2019.

As indicated by last month's report, a wire of approximately \$470,000 was wired to our tax revenue bank account last month. I do not think we will receive any more wires from the City of Muskegon heights for the remainder of this fiscal year. I do, however, know that we will be receiving delinquent tax monies from the county as early as the end of May, but most likely in June sometime. I'm not sure of how much we will receive, but I should have a better idea by our next meeting.

Much like last month, there are no notable changes to budgeted expenditures for this month. I also wanted to inform the board that we will be amending our budget. The MHPS board will be voting on the proposed amendment at our June meeting. This also means that the RTAB will be reviewing it at the next scheduled RTAB meeting.

Cash Flow Statement

Cash flow continues to remain stable for the coming year. I foresee no issue meeting our upcoming emergency loan obligations due in June. I have also submitted a request for a credit of roughly \$50,000 to the Unemployment Insurance Agency. This request was submitted in early April, but I have not been able to determine when this credit will be received by the district. For this reason, it is not on this cash flow statement. Please keep in mind that this credit will impact the cash flow statement **only** and not the budget to actual report.

Liabilities Report

There have been a couple of changes to this report. In April, the district made payments on our outstanding 2016 Series A and B bonds in the amount of \$2,294,790. As predicted, the district did not have the required funds on hand from tax revenue alone and had to borrow \$1,479,382 from the School Bond Loan Fund. We will not know the calculated interest charged by the SBLF until the end of June or beginning of July, but I have updated the principal on this schedule.

Fund	Rate	Description	Issuance Date	Original Amount	Term Length	Principal	Interest	Total Amount	Projected Maturity Date	As of Date
GF		Payable to MDE - At-Risk Payback			Short			\$ 371,436	N/A	5/1/2019
GF	2.45%	Restructured Emergency Loan #1 - 2018	5/23/2018	\$ 6,990,000	Long	\$ 6,990,000	\$ 2,339,648	\$ 9,329,648	6/15/2042	5/1/2019
GF	2.35%	Restructured Emergency Loan #2 - 2018	5/23/2018	\$ 3,165,000	Long	\$ 3,165,000	\$ 1,122,155	\$ 4,287,155	6/15/2042	5/1/2019
GF	3.45%	Restructured Emergency Loan #3 - 2018	5/23/2018	\$ 1,400,000	Long	\$ 1,400,000	\$ 608,565	\$ 2,008,565	6/15/2043	5/1/2019
GF	2.70%	2017/18 Emergency Loan #4 - 2018	5/23/2018	\$ 2,449,000	Long	\$ 2,449,000	\$ 1,748,299	\$ 4,197,299	6/15/2047	5/1/2019
GF	NA	2007 Energy Conservation Improvement Bonds	12/19/2007		Long	\$ 3,149,000	\$ -	\$ 3,149,000	12/19/2022	5/1/2019
DF	5.00%	2016 Refunding Bonds, Series A	3/29/2016		Long	\$ 11,940,000	\$ 3,310,922	\$ 15,250,922	5/1/2029	5/1/2019
DF	1.74%-2.61%	2016 Refunding Bonds, Series B	3/26/2016		Long	\$ 3,205,000	\$ (2,621)	\$ 3,202,379	5/1/2021	5/1/2019
DF	3.41%	School Bond Loan Fund	Annual		Long	\$ 2,212	\$ 163	\$ 2,375	5/1/2035*	5/1/2019
DF	3.41%	School Loan Revolving Fund	Annual		Long	\$ 3,527,631	\$ 42,681	\$ 3,570,312	5/1/2035*	5/1/2019
				\$ 14,004,000		\$ 35,827,843	\$ 9,169,810	\$ 45,369,089		

Note: GF - General Fund (18 mill levy); DF - Debt Service Fund (13 mill levy)

*Indicates Mandatory Repayment Date

Liability

Usage Explanation:

EL #1 Majority of proceeds used to retire SAN received in August 2011. Remainder used for final payrolls and other prior year expenses
EL #2 Legacy costs
EL #3 Legacy costs
EL #4 Proceeds used to retire ORS and UIA debt
Total Emergency Loans issued: \$14,004,000

Projected Monthly Cash Flow - One Year Projection

Date 5/3/2019

School District Muskegon Heights Public Schools
--

	May 19	June 19	July 19	August 19	September 19	October 19	November 19	December 19	January 20	February 20	March 20	April 20
Beginning Balance	\$ 792,667	\$ 957,492	\$ 585,680	\$ 527,902	\$ 762,314	\$ 777,664	\$ 768,586	\$ 809,820	\$ 492,011	\$ 487,533	\$ 750,055	\$ 923,168
Estimated Receipts												
Taxes	\$ 173,892			\$ 240,000	\$ 40,000		\$ 50,000	\$ 50,000		\$ 267,000	\$ 179,100	
Taxes - Tech Millage		\$ 21,187			\$ 15,000	\$ 15,000	\$ 15,000			\$ 27,000	\$ -	\$ -
Authorizer Fees	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572		\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572	\$ 13,572
ELN Proceeds												
Other Revenue	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Total Available Funds	\$ 981,131	\$ 993,251	\$ 600,252	\$ 782,474	\$ 818,314	\$ 807,236	\$ 848,158	\$ 874,392	\$ 506,583	\$ 796,105	\$ 943,727	\$ 937,740
Less Estimated Expenditures:												
Payrolls	\$ 18,658	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070
Other Expenditures	\$ 4,980	\$ 4,780	\$ 58,280	\$ 4,580	\$ 11,580	\$ 9,580	\$ 4,680	\$ 8,230	\$ 4,980	\$ 4,980	\$ 4,980	\$ 5,660
Emergency Loan Payment	\$ -	\$ 367,535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,989	\$ -	\$ -	\$ -	\$ -
Tech Millage to PSA	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -
Other Liens/Loans (Totals)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,092	\$ -	\$ -	\$ -	\$ -
Estimated Ending Balance	\$ 957,492	\$ 585,680	\$ 527,902	\$ 762,314	\$ 777,664	\$ 768,586	\$ 809,820	\$ 492,011	\$ 487,533	\$ 750,055	\$ 923,168	\$ 918,010

Expenses by Month

	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	Totals
Payrolls (including contracted staff)	\$ 18,658	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 14,070	\$ 18,658	\$ 14,070	\$ 14,070	\$ 14,070	\$ 15,579	\$ 14,070	\$ 181,036
Consumers - electric	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 700	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 8,000
DTE - natural gas	\$ 1,200	\$ 1,000	\$ 500	\$ 800	\$ 800	\$ 800	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,000	\$ 13,600
Waste & Water utility	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 220	\$ 400	\$ 2,820
Audit Fees					\$ 7,000	\$ 5,000							\$ 12,000
Legal Fees	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 1,160	\$ 13,920
Property Insurance			\$ 54,000										\$ 54,000
MAISD Tech Fee								\$ 3,750					\$ 3,750
Epicenter													\$ -
Bank Fees	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 7,200
Misc.	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 12,000
EL Loan Payments		\$ 367,535						\$177,989					\$ 545,523
Tech Millage Flowthrough	\$ -	\$ 21,187	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ 93,187
QZAB Energy Bonds								\$182,092					\$ 182,092
Totals	\$ 23,638	\$ 407,572	\$ 72,350	\$ 20,159	\$ 40,650	\$ 38,650	\$ 38,338	\$382,381	\$ 19,050	\$ 46,050	\$ 20,559	\$ 19,730	\$1,129,128

Muskegon Heights Public Schools
 Revenues, Expenditures, and Fund Balance
 GENERAL FUND
 2018-19
 5/3/2019

	Budget 2018-19	Actuals to Date	Under/(Over) to Date
Beginning Fund Balance	\$ 29,385	\$ 29,385	
Revenue			
Property taxes	\$ 1,181,020	\$ 965,842	\$ 215,178
Oversight fees	\$ 176,310	\$ 99,811	\$ 76,499
Transfers and Other	\$ 9,500	\$ 9,560	\$ (60)
Total Revenue	\$ 1,366,830	\$ 1,075,213	
Expenditures			
Data Technology	\$ 4,520	\$ 4,767	\$ (247)
Board of Education	\$ 30,170	\$ 29,993	\$ 177
Executive Administration	\$ 68,770	\$ 44,602	\$ 24,168
Business Services	\$ 101,960	\$ 84,454	\$ 17,506
Interest and Fees Expense	\$ 6,400	\$ 4,107	\$ 2,293
Unpaid Auction and Delinquent Tax Fees	\$ 50,670	\$ -	\$ 50,670
Building Services	\$ 98,170	\$ 86,576	\$ 11,594
District Technology	\$ 920	\$ 598	\$ 322
Emergency Loan Payments	\$ 570,750	\$ 203,209	\$ 367,541
Transfers and Other	\$ 305,730	\$ 292,420	\$ 13,310
Total Expenditures	\$ 1,238,060	\$ 750,726	
Revenues Less Expenditures	\$ 128,770	\$ 324,487	
Projected Ending Fund Balance	\$ 158,155	\$ 353,872	

REVENUES	DESCRIPTION	AMOUNT
11-0111-0000-000-0000-000000-000000-	PROPERTY TAXES CURRENT	-848,589.45
11-0111-0000-100-0000-000000-000000-	OTHER TAXES	0.00
11-0121-0000-000-0000-000000-000000-	TECH MILLAGE FLOWTHROUGH	-110,327.93
11-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	0.00
11-0151-0000-000-0000-000000-000000-	EARNINGS ON INVEST & DEPOSITS	0.00
11-0191-0000-000-0000-000000-000000-	RENTALS	-9,350.00
11-0199-0000-000-0000-000000-000000-	MISCELLANEOUS	-210.00
11-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-6,924.60
11-0519-0000-001-0000-000000-000000-	3% AUTHORIZER FEE - MHPSA	-99,810.66
11-0519-0000-100-0000-000000-000000-	SHARED BUSINESS SVCS	0.00
11-0591-0000-000-0000-000000-000000-	PROCEEDS FROM ISSUANCE OF BOND	0.00
		-1,075,212.64

EXPENDITURES	DESCRIPTION	AMOUNT	SUMS
11-1-225-7410-840-0000-00000-000000-	LICENSING FEES & RENEWALS	4,396.00	
11-1-226-4220-899-0000-00000-000000-	COPY MACHINE	370.80	\$ 4,766.80
11-1-231-3170-000-0000-00000-000000-	LEGAL SERVICES	17,128.00	
11-1-231-3180-000-0000-00000-000000-	AUDIT SERVICES	12,740.00	
11-1-231-3220-007-0000-00000-000000-	TRAVEL - TRINELL SCOTT	115.00	
11-1-231-7410-000-0000-00000-000000-	DUES & FEES	10.00	\$ 29,993.00
11-1-232-3150-000-0000-00000-000000-	CONTRACTED SERVICES	44,605.20	
11-1-232-3210-000-0000-00000-000000-	COST OF TRAVEL (MILEAGE)		
11-1-232-3430-000-0000-00000-000000-	MAILING		
11-1-232-7910-000-0000-00000-000000-	MISCELLANEOUS	-3.00	\$ 44,602.20
11-1-252-1620-033-0000-00000-000000-	ACCOUNTING SPECIALIST	50,769.18	
11-1-252-2130-000-0000-00000-000000-	HOSPITALIZATION	15,783.91	
11-1-252-2820-033-0000-00000-000000-	CONTRIB TO ST&LOC RETIRE FUNDS	12,845.26	
11-1-252-2830-033-0000-00000-000000-	EMPLOYER SOCIAL SECURITY	3,883.88	
11-1-252-2840-033-0000-00000-000000-	WORKMAN'S COMPENSATION	-54.46	
11-1-252-3150-030-0000-00000-000000-	CONTRACTED SERVICES		
11-1-252-3220-030-0000-00000-000000-	TRAVEL & CONFERENCE		
11-1-252-5910-030-0000-00000-000000-	OFFICE SUPPLIES	1,226.05	\$ 84,453.82
11-1-252-7410-000-0000-00000-000000-	INTEREST & FEES EXPENSE	4,107.07	\$ 4,107.07
11-1-259-7610-000-0000-00000-000000-	TAXES ABATED & WRITTEN OFF		\$ -
11-1-261-3190-100-0000-00000-000000-	CONTRACTED SERVICES	9,216.95	
11-1-261-3410-000-0000-00000-000000-	TELEPHONE CHARGES	173.65	
11-1-261-3830-000-0000-00000-000000-	WATER & SEWAGE	1,582.24	
11-1-261-3840-000-0000-00000-000000-	WASTE & TRASH DISPOSAL	576.00	
11-1-261-3910-000-0000-00000-000000-	INSURANCE	54,814.00	
11-1-261-4110-000-0000-00000-000000-	LAND AND BLDGS-REPAIRS & MAINT		
11-1-261-5510-000-0000-00000-000000-	HEATING FUEL	14,478.73	
11-1-261-5520-000-0000-00000-000000-	ELECTRICITY	5,734.00	\$ 86,575.57
11-1-284-3410-000-0000-00000-000000-	CELL PHONE CHARGES	597.75	\$ 597.75
11-1-411-8910-000-0000-00000-000000-	TRANSFERS TO MHPSA	110,327.93	
11-1-511-7110-994-0000-00000-000000-	PRINCIPAL PMT - EMERGENCY LOAN		
11-1-511-7230-994-0000-00000-000000-	INTEREST PMT - EMERGENCY LOANS	203,209.41	\$ 203,209.41
11-1-634-8110-000-0000-00000-000000-	QZAB TRANSFER - DEBT RETIREMEN	182,092.42	\$ 292,420.35
		\$ 750,725.97	\$ 750,725.97

Muskegon Heights Public Schools
Revenues, Expenditures, and Fund Balance
DEBT SERVICE - 2016 REFUNDING BONDS
2018-19
5/3/2019

	Actuals to Date
Beginning Fund Balance	\$ 148,927
Revenue	
Tax Revenues	\$ 949,731
SBLF/SLRF (State Bond Loan Programs)	\$ 1,479,382
Total Revenue	\$ 2,429,113
Expenditures	
Tax Chargebacks & Auction Property	\$ -
Principal Payments	\$ 1,925,000
Interest Payments	\$ 739,580
Total Expenditures	\$ 2,664,580
Revenues Less Expenditures	\$ (235,467)
Projected Ending Fund Balance	\$ (86,540)

Account	Description	Amount
32-0111-0000-000-0000-000000-000000-	PROPERTY TAX LEVY	-857,960.34
32-0111-0000-100-0000-000000-000000-	OTHER TAXES-HSBF	0.00
32-0124-0000-000-0000-000000-000000-	PENALTY & INT ON DEL TAXES	0.00
32-0151-0000-000-0000-000000-000000-	EARNINGS ON INVESTMENTS-HSBF	-310.93
32-0321-0000-000-0000-000000-000000-	PPT REIMBURSEMENT	-91,459.55
32-0591-0000-000-0000-000000-000000-	BOND PROCEEDS	0.00
32-0595-0000-000-0000-000000-000000-	STATE LOAN PROGRAM-HSBF	-1,479,382.00
32-0596-0000-000-0000-000000-000000-	PROCEEDS FROM REFINANCING DEBT	0.00
32-0596-0000-001-0000-000000-000000-	PREMIUM ON REFUNDING BONDS	0.00
32-0599-9000-000-0000-000000-000000-	DUE TO/FROM	0.00
32-0631-0000-000-0000-000000-000000-	TRANSFER IN	0.00
		-2,429,112.82

Account	Description	Amount
32-1-252-3180-000-0000-000000-000000-	AUDIT SERVICES	0.00
32-1-252-7410-000-0000-000000-000000-	PAYING AGENT FEES	0.00
32-1-259-3610-000-0000-000000-000000-	PRINTING	0.00
32-1-259-7610-000-0000-000000-000000-	TAXES ABATED & WRITTEN OFF	0.00
32-1-511-7110-000-0000-000000-000000-	PRINCIPAL - 2006 REF BDS	1,925,000.00
32-1-511-7230-000-0000-000000-000000-	INTEREST-HSBF	739,580.00
32-1-511-7310-000-0000-000000-000000-	OTHER BOND ISSUANCE COSTS	0.00
32-1-511-7330-000-0000-000000-000000-	BOND DISCOUNT	0.00
32-1-511-7410-000-0000-000000-000000-	PAYING AGENT FEES-HSBF	0.00
32-1-512-7320-000-0000-000000-000000-	PAYMENTS TO BOND ESCROW AGENT	0.00

Muskegon Heights Public Schools
Revenues, Expenditures, and Fund Balance
QZAB Fund
2018-19
5/3/2019

	Actuals to Date
Beginning Fund Balance	\$ 2,016,299
Revenue	
Earnings on Investment	\$ 31,218
Transfers In	\$ 182,092
Total Revenue	\$ 213,310
Expenditures	
	\$ -
Total Expenditures	\$ -
Revenues Less Expenditures	\$ 213,310
Projected Ending Fund Balance	\$ 2,229,609

Account	Description	Amount
34-0151-0000-000-0000-000000-	EARNINGS ON INVESTMENTS	-31,217.64
34-0611-0000-000-0000-000000-	QZAB TRANSFER	-182,092.42